

new workers that I referred to as 80 percent of the new jobs.

I ask my friends on the other side of the aisle who are eager to raise taxes—they are reluctant to cut spending and eager to increase spending—to focus on the negative effects of their policy on small business. Small business creates many jobs. Why at this time, with high unemployment, would we want to raise taxes on the folks who create 80 percent of the new jobs?

Just yesterday, the Finance Committee, on a 19-2 vote, reported a bill designed to cut the top marginal rate for small business manufacturers to 32 percent. Senator BIDEN's amendment would go the other way and hammer our small business manufacturers.

Now, let's discuss the two procedural problems.

The first procedural problem is also constitutional. Under the Constitution, revenue measures must originate in the House. Senator BIDEN's amendment is a tax increase. It is a clear case of a revenue measure. The Ways and Means Committee has indicated the House will exercise its Constitutional prerogative and "blue slip" this bill if it contains Senator BIDEN's amendment. A blue slip kills this bill. We go back to square one. A vote for the Biden amendment is a vote to stop aid to our troops. It is a vote to stop aid to the Iraqi people at a critical time.

Let me repeat that point. A vote for the Biden amendment is a vote against aid to our troops. A vote for the Biden amendment is a vote against assistance to the Iraqi people.

From my own perspective, as chairman of the Finance Committee, I have to warn members of our committee that the Biden amendment raises a fundamental tax issue on an unrelated bill. The Biden amendment treads on Finance Committee's jurisdiction. Every Finance Committee member should oppose Senator BIDEN's amendment on that basis alone. But, most importantly, this amendment is a reckless attack on our economic recovery and I strongly urge its defeat.

I ask Senators to defeat the Biden amendment and not increase taxes on small business.

Mr. ROCKEFELLER. Mr. President, this amendment is not about whether or not we ought to appropriate the funds that President Bush has requested for our efforts in Iraq and Afghanistan. Rather, this amendment addresses the question of whether this Congress is willing to pay the bill or whether we will pass it on to future generations. I am unwilling to tell the children in West Virginia that I believe they should pay this bill when they grow up when there is a reasonable alternative.

If we do not offset the \$87 billion cost of this emergency supplemental request, then it will be added to our Nation's deficit. Already, without this spending, the Federal deficit for fiscal year 2004 is projected to be \$480 billion. That number is staggering. Prior to

this administration, the largest deficit this government ever had in a single year was \$290 billion. So already, we know that our deficit will be higher than ever before, by a lot. Without this amendment, we would add another \$87 billion to this deficit. Our deficit would hit \$567 billion—almost twice the size of the previous record deficit.

These are not just numbers. Such enormous deficits have consequences. Our children will have to pay these bills. Instead of investing in education or roads or military preparedness for their own generation, they will still be paying the bills for our generation. Already we have saddled future generations with almost \$7 trillion in debt. We absolutely must not add to that debt when this amendment offers an alternative.

We also know that such large deficits will have an impact for our own generation. As Federal debt increases, it will put pressure on long term interest rates, which will hurt every middle class family trying to pay their mortgage. And I am certain that in the coming weeks my colleagues will say that we have to cut spending on education, health care, infrastructure, unemployment compensation, and other critical domestic priorities in order to reduce the deficit. Make no mistake; adding to the deficit today, will increase pressure to squeeze out spending that benefits low and middle income Americans at a time when they are already struggling.

Increasing the burden on low and middle income Americans would be spectacularly unfair. As I travel around West Virginia, I talk to many families who have children serving in the armed forces in Iraq or Afghanistan. Thousands of West Virginians have been called up to serve in the National Guard or Reserves. They are not millionaires. They are patriotic West Virginians with modest incomes, and they are already sacrificing things more valuable than money to make our military efforts a success.

So let me discuss for a moment what sacrifice this amendment asks for. This amendment says that those with incomes greater than \$311,950 should pay a top income tax rate of 38.2 percent in the years 2005 through 2010. Even with this change, the top income tax rate will be lower than it was when President Bush took office. In fact, of the \$690 billion in tax cuts that this President has signed into law that are targeted at the wealthiest 1 percent of Americans, \$600 billion in tax cuts would still be in place. Under this amendment, a person making \$1 million per year would still get a tax cut of more than \$20,000 compared to what he or she would have paid in 2000, prior to this President's tax cuts taking effect. It is not asking for an undue sacrifice to ask a millionaire to settle for a \$20,000 tax cut. I wish there were more people in West Virginia that would see this \$20,000 tax cut, but of course, only the wealthiest fraction of

taxpayers, less than 1 percent, would be affected by this amendment.

I will be supporting this amendment because I cannot explain to children in West Virginia that giving a millionaire a tax cut greater than \$20,000 was more important to me than their future. I hope that my colleagues will think carefully about this stark choice, and join me in supporting Senator BIDEN's amendment.

The PRESIDING OFFICER. The time controlled by the majority has expired.

The Senator from Delaware.

Mr. BIDEN. Mr. President, I think I have some time. If the majority wants more time, that is fine by me. I yield myself such time as I may consume. I want to take a minute or so to respond to my friend, the chairman of the Finance Committee, while he is in the Chamber.

Mr. REID. Will the Senator yield briefly?

Mr. BIDEN. Sure, without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the author of this amendment has approximately 25 minutes remaining. We have been informed that there is going to be an effort by the majority to have a vote at 3:45 rather than 3:15, which is fine with us. I have also been told that the chairman of the Budget Committee wants to speak for up to 5 minutes. So if there is no objection to that, could we have 5 minutes additional on each side?

Mr. NICKLES. If I might modify the request of the Senator, I ask unanimous consent that the vote occur at 3:45 with 15 minutes allotted to each side.

Now, I was not aware that originally Senator BIDEN, in his eloquent negotiations, already had a 2-hour advantage over this side. There might be a few additional remarks this Senator wants to make which will take a little more than 5 minutes.

Mr. REID. I ask if we could further modify the request of the Senator from Oklahoma by having Senator BIDEN have the last 10 minutes prior to the vote.

Mr. NICKLES. Ten? I will further modify that. I will certainly accede to that. If he has only spoken for 2 hours, we look forward to an additional 10 minutes for the Senator from Delaware.

The PRESIDING OFFICER. Is there objection to the modified request?

Without objection, it is so ordered.

The Senator from Delaware.

Mr. BIDEN. Mr. President, I yield myself as much time as I may consume. Senator GRASSLEY is leaving. I wanted to grab him.

I do enjoy the sarcasm of my friend from Oklahoma, who speaks on this floor about 40 times as much as I do, if he goes and checks the RECORD. Always elucidating, if I might add, always elucidating.

I say to my friend, the chairman of the Finance Committee, I understand